



Hawai'i District Office Lenders Quarterly

U.S. Small Business Administration Hawai'i District Office

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For More Information

- SBA offices are located in all 50 states, the District of Columbia, Puerto Rico, the U.S. Virgin Islands and Guam. For the office nearest you, look under "U.S. Government" in your telephone directory, or call the SBA Answer Desk.
- SBA Answer Desk:
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- Fax: 202-205-7064
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Hawai'i Pacific Lending Conference held at the Honolulu Country Club on March 27th and 28th

The Hawai'i Pacific Lending Conference, sponsored by the Hawai'i District Office and SCORE of Hawai'i, was held on March 27-28 at the Honolulu Country Club.

All local lenders who participate in SBA's loan programs were represented at the conference: Bank of Hawaii, First Hawaiian Bank, Central Pacific Bank, American Savings Bank, Hawaii National Bank, Pacific Rim Bank, Ohana Pacific Bank, and Territorial Savings Bank. Representatives from six credit unions also attended the conference, as well as the two local certified development companies. There were also attendees from Guam, Kentucky and California.



(Pictured—Regional Administrator Bruce Thompson, District Director Andrew Poepoe, Center Director Frank Pucci and Deputy Associate Administrator for Capital Access Janet Tasker)

Several topics of interest to local and out-of-state lenders were presented on the national economy, the local economy, the major housing and commercial development at Honolulu's Second City Kapolei, marketing to small businesses, and a legislative update on SBA programs.

Janet Tasker, SBA Deputy Associate Administrator for Capital Access, opened the conference the first day with an address on the 21st century vision for SBA. Frank Pucci, Director of SBA's Sacramento Standard 7(a) Loan Processing Center, and SBA National Customer Service Manager Richard Blewett conducted breakout sessions on their areas of responsibility. The second day was opened by Congresswoman Mazie Hirono who focused on small business topics before Congress.

This was the first time a lending conference has been sponsored by the SBA Hawai'i Office, and based on the evaluations received, it was an enormous success.

Another Successful Blitz!



O'ahu small businesses once again had the opportunity to meet one-on-one with lenders to discuss financing needs at the Honolulu Country Club on March 28. Sponsored by the Hawai'i District Office, lender representatives from American Savings Bank, Bank of Hawaii, Central Pacific Bank, First Hawaiian Bank, and Hawaii National Bank met with more than 30 business owners during the 3-hour event.



SBA Loan Volume Up in the Hawai'i District But Down Nationwide

Citing current economic trends, SBA's Headquarters has reported a decline in overall loan guaranty program volume. Overall new loan dollars are down, as well as the number of new loans. 7(a) loan approvals are estimated to be down by 18% year-to-date and dollars down 8%, while 504 loan approvals are down 5% and loan dollars down 3%.

On the other hand, the Hawai'i District has seen a 32% increase in 7(a) approvals for the 6 months ended March 31, 2008 and a 120% increase in 504 approvals. The increase in 7(a) activity is primarily attributed to the Community Express program, which is currently being offered to Hawai'i small businesses by Innovative Bank, Superior Financial Group, and Borrego Springs Bank, and in Guam, by Citizens Security Bank.



New SOP 50-10 (5)



SOP 50 10 (5).

SOP 50 10, which covers 7(a) and 504 loan processing, as well as the requirements to become and remain a 7(a) lender or a Certified Development Company, has been completely re-written and issued as

Reduced from approximately 1000 pages to fewer than 400 pages, the new SOP 50 10 (5) is also more logically organized. Previously, a Lender or CDC had to refer to several different parts of the SOP (as well as subsequent notices) to identify all the policies and procedures governing loan processing for a 7(a) or 504 loan. In addition, as new programs were developed (such as SBA Express or Patriot Express), a Lender was required to refer to a separately-published program guide or procedural notice in addition to the SOP. With this new edition of the SOP, all of the 7(a) loan program requirements, including SBA Express and the Pilot Loan Programs (Export Express, Community Express and Patriot Express) are contained in one subpart and all 504 loan program requirements are contained in another subpart.

In addition to these structural changes to the SOP, there are a limited number of minor policy changes or clarifications that have been incorporated into the revision.

The requirements under SOP 50-10 (5) will apply to all applications received by SBA on or after June 15, 2008. Any questions and comments regarding the new SOP need to be e-mailed to SBA at SOP50-10Modernization@sba.gov. The revised SOP may be found at <http://www.sba.gov/tools/resourcelibrary/sops>.

Briefings for lenders on the new SOP will be scheduled in the near future. Be on the lookout for the announcement on these briefings.



SBA Administrator Nominated to be Secretary of HUD



On April 18, President Bush named SBA Administrator Steven Preston to head the Department of Housing and Urban Development (HUD). If confirmed by the Senate, Preston would fill the vacancy at HUD left by past Secretary Alphonso Jackson. Preston has served as Administrator of SBA since July 2006.

Before joining SBA, Administrator Preston was Executive Vice President of The ServiceMaster Co., where he also served as chief financial officer. Prior to that, he was a Senior Vice President and Treasurer of First Data Corp., and an investment banker at Lehman Brothers.



Loan Activity, FY 2008
Seven Months Ended 4/30/08

<u>Bank</u>	<u>No. of Loans</u>	<u>Loan Amount (000's)</u>	
		<u>Gross</u>	<u>SBA</u>
Bank of Hawaii	47	3550.0	2025.0
First Hawaiian Bank	28	2899.3	1871.7
Central Pacific Bank	19	1832.3	1194.2
Citizens Security Bank	17	2954.0	2207.2
American Savings Bank	16	1775.9	1014.9
Capital One	7	345.0	172.5
Hawaii Community FCU	7	155.0	77.5
Banco Popular North America	2	795.1	590.1
Honolulu Federal Credit Union	2	85.0	42.5
Bank of Guam	2	202.3	101.2
Hawaii National Bank	2	190.5	162.0
Lehman Brothers Bank, FSB	1	1211.2	908.4
Nara Bank	1	1160.0	870.0
Center Bank	1	290.0	217.5
Partners Bank	1	125.0	62.5
Borrego Springs Bank	1	25.0	21.2
Wells Fargo	1	25.0	12.5
Sub-total	155	17620.6	11550.9
Innovative Bank	55	1240.0	959.5
Superior Financial Group, LLC	44	470.0	399.5
Business Loan Center LLC	2	82.0	69.7
Total 7(a) Loans	256	19412.6	12979.6
HEDCO 504 Loans	27	14701.0	14701.0
Lokahi Pacific 504 Loans	5	3443.0	3443.0
Grand Total	288	37556.6	31123.6

